

SERIAL NO. 09/783,560**DOCKET NO. 1293.1174****REMARKS****INTRODUCTION:**

In accordance with the foregoing, claim 12 has been amended. No new matter is being presented, and approval and entry of the foregoing amendments are respectfully requested.

Claims 1-22 are pending and under consideration. Reconsideration is requested.

REJECTION UNDER 35 U.S.C. §102:

In the Office Action at pages 2-13, the Examiner rejects claims 1-22 under 35 U.S.C. §103 in view of Mourad et al. (U.S. Patent Publication No. 2003/0135464) and Ran et al. (U.S. Patent Publication No. 2002/0194485). This rejection is respectfully traversed and reconsideration is requested.

By way of review, claim 1 recites, among other features, "accessing by a user a server providing digital contents download services via a first communication network to make payment for digital contents on the server, and receiving a download of the digital contents on which a security code is set." Claim 1 additionally recites "distributing the downloaded digital contents after making payment to another user." Claim 1 further recites, "if the distributed digital contents are executed on the another user's computer, accessing the server automatically via the first or another communication network," and "after the server is accessed and payment for the distributed digital contents is made *by the another user, offering a predetermined compensation via the server to the user* who received the downloaded digital contents."

In contrast, Mourad et al. teaches a system in which an end user device 109 is able to obtain digital content 113 from a digital store 103 if the end user device 109 has authorized a payment. (Paragraphs 0284 to 0294, 0590; FIG. 1 of Mourad et al.) Once received, the digital contents 113 is stored according to Storage Usage Conditions 519. (Paragraphs 0363 and 0815). However, as acknowledged by the Examiner on page 3 of the Office Action, Mourad et al. does not suggest that the end user device 109 distributes the obtained digital content 113 to another end user device. Additionally, it is respectfully submitted that Mourad et al. further does not suggest or disclose that the end user device 109 receives some form of payment for this additional distribution from the end user device 109 to the another user.

In order to cure this deficiency, the Examiner relies on paragraphs 0034 through 0036 of Ran et al. as disclosing a system of distributing downloaded digital contents after making payment to another user. However, it is noted that Ran et al. teaches using a distributor 114 to encrypt received content 112 from an author 110. The encrypted content 116 is ordered by a user 118, who then makes payment for the encrypted content 116 through a payment 120 to a

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clearinghouse 122. The clearinghouse 122 forwards a corresponding payment 124 to the distributor 114. The distributor 114 makes an appropriate royalty payment 126 to the author 110 for the distributed encrypted content 116. (Paragraph 0035; FIG. 1 of Ran et al.) In order to control distribution, the distributed encrypted content 116 includes a rights and permissions segment 514 which includes information on how many times the content 116 can be printed, and whether other users are allowed access. The rights and permissions are cryptologically signed to prevent tampering with the specified rights and permissions. (Paragraphs 0056 through 0058; FIG. 5 of Ran et al.)

However, as also was lacking in Mourad et al., there is no suggestion that the user 118 is able to again distribute the encrypted content 116 to another user, or that the another user receiving the encrypted content 116 from the user 118 would be able to make a portion of the payment that is received by the user 118 instead of being received by the distributor 114 and author 110. Moreover, there is no suggestion that the distributor 114 makes a payment to the author 110 for the content 112 until the encrypted content 116 is downloaded by the user 118, or that the distributor 114 makes a payment to the clearinghouse 122 from which the distributor 114 receives the payment 124 when the user 118 pays for the content 116.

As such, it is respectfully submitted that the combination of Mourad et al. and Ran et al. does not disclose or suggest, among other features, "after the server is accessed and payment for the distributed digital contents is made by the another user, offering a predetermined compensation via the server to the user who received the downloaded digital contents" recited in claim 1.

For similar reasons, it is respectfully submitted that the combination of Mourad et al. and Ran et al. does not disclose or suggest the invention recited in claims 6, 10, 12, 14, 16, and 19.

Additionally, the Examiner asserts that one of ordinary skill in the art would have been motivated to modify the device and method shown in Mourad et al. to include Ran et al.'s distribution method in order to ensure that the content is paid for before being downloaded by a user. However, the Examiner does not point to a source in the prior art that suggests such a modification of Mourad et al. Additionally, Ran et al. suggests paying for the content 116 using the payment 120, but does not suggest making the payment 120 prior to the content 116 being received by the user 118 from the distributor 114. Instead, as shown in FIG. 7, a self-protecting document (SPD) is stored at the distributor 114. When a user request for the SPD is received, the SPD is stored on a system of the user 118. The requirement for payment is made when the user 118 activates the SPD at the system, at which point the payment 120 is made to the clearinghouse 122. (Paragraph 0079, 0080; actions 710, 714, 716 of FIG. 7 of Ran et al.)

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Further, Mourad et al. requires payment prior to the end user receiving the secure content, and retains a set of rights in the conditions 519 within the paid-for secure contents to prevent unauthorized distribution by the end user device 109. (Paragraphs 0284, 0285, and 0286 of Mourad et al.) There is no suggestion as to why Mourad et al., which requires payment prior to distribution of the contents to the end user device 109, should be modified to include the method of Ran et al., which requires payment 120 after distribution to the end user 118. There is further no suggestion that the conditions 519 of Mourad et al. should allow the end user device 109 to again distribute the secure contents 113 to another user using the method of Ran et al., especially since neither Mourad et al. nor Ran et al. suggest allowing an end user to further distribute contents in return for payment to the end user in the manner set forth in the claims. As such, it is respectfully submitted that there is insufficient evidence of a motivation to combine Mourad et al. and Ran et al. in the recited manner as is required in order to maintain a prima facie obviousness rejection of claims 1, 6, 10, 12, 14, 16, and 19.

In addition, Mourad et al. does not suggest that, if the digital contents 113 is disposed on another apparatus other than the end user device 109, the another apparatus contacts the digital store 103, the contents provider 101, the clearinghouse 105, or other entities. Instead, Mourad et al. teaches that the digital contents 113 would not be operable since the digital contents 113 is only authorized for use at the end user device 109 due to a watermarking system and Store Usage Conditions 519 encoded in the digital contents 113. (Paragraphs 0315 through 0318 and 0363 through 0367). In contrast, claim 2 recites, "if the distributed digital contents are executed on the another user's computer, further accessing the server due to a failure of a security check on a security code set on the distributed digital contents." Since Ran et al. is not relied upon as teaching such a feature, it is respectfully submitted that the combination of Mourad et al. and Ran et al. does not disclose or suggest the invention recited in claim 2.

For similar reasons, it is respectfully submitted that the combination of Mourad et al. and Ran et al. does not disclose or suggest the invention recited in claims 7 and 10.

Also, Mourad et al. does not suggest that, if the end user device 109 has distributed the digital contents 113 to another user, the digital store 103, the contents provider 101, the clearinghouse 105, or other entities changes the watermark license 527, the Usage Conditions 517, or the Store Usage Conditions 519. In contrast, claim 3 recites, "If the server is accessed and payment for the distributed digital contents is made by the another user, further resetting the security code set on the distributed digital contents for the another user who makes the payment." Since Ran et al. is not relied upon as teaching such a feature, it is respectfully submitted that the combination of Mourad et al. and Ran et al. does not disclose or suggest the

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invention recited in claim 3.

For similar reasons, it is respectfully submitted that the combination of Mourad et al. and Ran et al. does not disclose or suggest the invention recited in claims 8, 11, 13, 15, and 20.

Similarly, it is respectfully submitted that the combination of Mourad et al. and Ran et al. does not disclose or suggest "further distributing the distributed digital contents on which the security code is reset to a different user," and "if payment for the further distributed digital contents is made by the different user, offering via the server a predetermined compensation to the another user who further distributed the distributed digital contents, and if payment for the further distributed digital contents is made by the different user, the security code which has been set on the distributed digital contents is reset for the different user who makes the payment" as recited in claim 4; or "further distributing the downloaded digital contents to additional users by the another user who received the distributed digital contents," and "repeating said further distributing by the additional users to still other additional users hierarchically" as recited in claim 5.

For similar reasons, it is respectfully submitted that the combination of Mourad et al. and Ran et al. does not disclose or suggest the invention recited in claims 9, 21, and 22.

Claims 17 and 18 are deemed patentable due at least to their depending from claim 14.

CONCLUSION:

In accordance with the foregoing, it is respectfully submitted that all outstanding objections and rejections have been overcome and/or rendered moot. And further, it is respectfully submitted that all pending claims patentably distinguish over the prior art. Thus, there being no further outstanding objections or rejections, the application is submitted as being in condition for allowance which action is earnestly solicited.

If the Examiner has any remaining issues to be addressed, it is believed that prosecution can be expedited by the Examiner contacting the undersigned attorney for a telephone interview to discuss resolution of such issues.

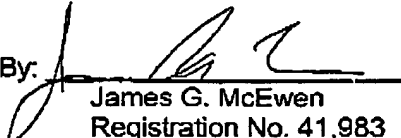
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If there are any additional fees associated with the filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

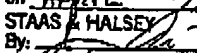
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